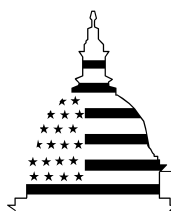


January 2006

DEFENSE MANAGEMENT

Fully Developed Management Framework Needed to Guide Air Force Future Total Force Efforts



G A O

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Highlights of [GAO-06-232](#), a report to congressional requesters

Why GAO Did This Study

The Air Force is in the process of transforming its force to meet today's new and emerging threats. Its "Future Total Force" concept is intended to maximize future capabilities by integrating its active, National Guard, and reserve components to a greater degree. While the Air Force was making force structure decisions and developing its 20-year plan, the Air National Guard embarked on its own "Vanguard" transformation initiative to ensure its role and relevance in the new Air Force.

This report discusses (1) the processes and events that surrounded the Air Force's development of its 20-year force structure plan, including the involvement of key stakeholders and the development of the Guard's Vanguard initiative, and (2) the extent to which the Air Force is utilizing key results-oriented management tools to guide its effort to identify new missions for the Air National Guard and integrate active and Guard forces as part of its Future Total Force effort.

What GAO Recommends

GAO recommends that the Secretary of the Air Force take steps to fully develop a management framework, accelerate its approval, and establish an evaluation plan to assess its test initiatives. DOD agreed with the recommendations in this report and has begun implementing them.

www.gao.gov/cgi-bin/getrpt?GAO-06-232.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Janet St. Laurent at 202-512-4402 or stlaurentj@gao.gov.

DEFENSE MANAGEMENT

Fully Developed Management Framework Needed to Guide Air Force Future Total Force Efforts

What GAO Found

The Air Force used an iterative process to develop its 20-year force structure plan with periodic review and oversight by senior-level Department of Defense (DOD) and Air Force officials; however, stakeholders have different views on the extent to which the Air Force sought and addressed input from process participants. The plan included a reduction in the legacy fighter fleet—residing largely within the Air National Guard—and the acquisition of new aircraft such as the F/A-22 and the Joint Strike Fighter. In late 2004, a departmentwide shift in funding priorities reduced the number of F/A-22 aircraft to be acquired and resulted in changes to the Air Force's plan. Perspectives on how well this process worked vary depending on the role and level of involvement of each organization. For example, Air Force Air Staff officials viewed the process as fully participatory and noted that the Air National Guard Bureau and the Air Force's major commands had direct representation on the force structure development team. In contrast, Air National Guard officials expressed concerns about their ability to influence decisions and 7 of the 10 adjutants general whom GAO contacted believed that they did not have sufficient opportunity to influence the decisions. Because documentation of the proceedings of key meetings was limited, GAO was unable to evaluate the extent to which stakeholders influenced the process. During the same period, the Air National Guard began a separate effort—the Vanguard Engagement Strategy—to solicit input from the states on future roles and missions for the Guard and to prepare its units to respond to anticipated force structure reductions.

The Air Force has taken steps to identify new missions for the Air National Guard and test ways to integrate the active, Guard, and reserve components as part of its Future Total Force transformation, but it has not fully developed a management framework to guide its efforts or a plan to evaluate its progress. In December 2004, the Air Force announced initiatives for six states to test its transformation concepts. In March 2005, the Air Force established a new directorate to guide implementation of the Future Total Force concept. The new directorate has taken steps to identify new missions and implement new constructs to integrate components. As GAO has previously reported, organizations undergoing transformation increase their likelihood of success if they adopt a results-oriented management framework to guide their efforts. Although the directorate has drafted a strategic plan that directorate officials said includes such tools, as of November 2005, the plan had not been approved and there is no requirement that it be used to guide implementation efforts. Moreover, while the Air Force has some metrics to use in evaluating its test initiatives, it has not developed a comprehensive evaluation plan to measure results. By moving ahead to implement the Future Total Force concept without such a framework and evaluation plan, the Air Force may be unable to successfully transform its culture, evaluate initiatives and program results, determine the most cost effective mix of active and reserve forces, and ensure transparency of the implementation process.

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United States Government Accountability Office
Washington, DC 20548

January 31, 2006

The Honorable Tom Davis
Chairman
Committee on Government Reform
House of Representatives

The Honorable Christopher Shays
Chairman
Subcommittee on National Security,
Emerging Threats and International Relations
Committee on Government Reform
House of Representatives

The Honorable Frank LoBiondo
House of Representatives

The Air Force has developed a 20-year force structure plan that will require billions of dollars to recapitalize, modernize, and upgrade its inventory of aging aircraft. This force structure plan could potentially result in a significant reduction in the number of existing fighter aircraft—replaced by fewer aircraft that are intended to be more capable and reliable—along with changes in the roles and missions of the Air National Guard, and further integration of the active, Guard, and reserve flying units. The Air Force intends to transform its force to meet new and emerging threats—while supporting military operations at home and abroad and preparing to implement changes resulting from the 2005 base closure and realignment process. Recognizing that future capabilities to meet these challenges will require a combination of new, more capable aircraft that will cost billions of dollars, including \$63.8 billion currently estimated for the F/A-22, the Air Force has embarked on developing what it calls the “Future Total Force” which is intended to integrate the active and reserve components to a greater degree by using new organizational constructs and realigning missions.

As the Air Force begins to adjust and reduce its current force structure, the Air National Guard has also recognized that it must be proactive in helping the Air Force identify new roles and missions best suited for the Guard so that it can remain a ready, reliable, and relevant component of the Future Total Force. To prepare for the future, the Air National Guard embarked on its own transformational effort—called the Vanguard

Engagement Strategy—to ensure that it would continue its role as a key participant in the Air Force’s expeditionary force and defense of the homeland, as well as in emerging mission areas.

Because of the significant impact that the Air Force’s transformational efforts could have on the future force structure and basing of the Air National Guard, you asked us to examine the processes through which the Air Force developed its force structure plans, its progress in identifying new missions and organizational constructs for the Air Guard, and the level of stakeholder involvement in the force structure development process. Additionally, you expressed interest in the Air National Guard’s Vanguard transformation initiative. This report discusses (1) the processes and events that surrounded the Air Force’s development of its 20-year force structure plan, including the involvement of key stakeholders and the development of the Guard’s Vanguard initiative, and (2) the extent to which the Air Force is using key results-oriented management tools to guide its effort to identify new missions for the Air National Guard and integrate active and Guard forces as part of its Future Total Force effort.

To describe the processes and events surrounding the Air Force’s development of its 20-year force structure plan, we reviewed Air Force guidance, directives, and instructions and interviewed current and former officials of the Air Force Strategic Planning Directorate who led the force structure development. We also interviewed key stakeholders involved in this process including the Air National Guard Director and officials of two major Air Force commands. We discussed the process with 10 adjutants general¹ to obtain their perspectives on the process. To guide our selection of adjutants general to include in our review, we developed criteria—including a mix of large and small states, a geographic mix of states, and states with differing views on the Air Force’s force structure plans and the Guard’s Vanguard program—and evaluated each state and territory against these criteria. We also interviewed Air Force Studies and Analyses Agency officials to discuss modeling and analyses they performed to evaluate various force structure options. We reviewed the Air National Guard’s Vanguard Engagement Strategy and held discussions with senior Air Guard officials, including several adjutants general, to determine how the strategy was related to the Air Force’s force structure development process. We did not evaluate the Air Force’s base closure and realignment

¹ We interviewed the adjutants general of 10 states—Colorado, Connecticut, Maryland, Nebraska, New York, North Dakota, Texas, Utah, Vermont, and Virginia.

assessment and recommendations process as part of this report, but did separately report on the overall Department of Defense (DOD) base closure and realignment process in July 2005.² To assess the extent to which the Air Force is using key management tools in developing new missions for the Air National Guard and integrating the active and reserve component forces, we reviewed key documents and our prior work on the management tools consistently found in successful organizations. We also discussed these tools with senior directorate officials to obtain their perspectives and discussed their efforts to develop a strategic plan. We did not evaluate the process the Air Force is using to identify and validate new missions for the Guard. Although much of the information on the force structure development process was testimonial from participants in the process, we assessed this information by comparing it to supporting documentation, when available, and corroborated it through additional interviews to determine consistency and reasonableness. On the basis of these efforts, we believe the information we obtained is sufficiently reliable for the purposes of this report. Additional information on our scope and methodology appears in appendix I.

We conducted our review from September 2004 through November 2005 in accordance with generally accepted government auditing standards.

Results in Brief

The Air Force used an iterative process to develop its 20-year force structure plan with periodic review and oversight by senior-level DOD and Air Force officials, and a complex process of modeling and analysis; however, stakeholders have different views on the transparency of the process and the extent to which the Air Force sought and addressed input from process participants. Moreover, the adjutants general were not directly involved because the Air Force relied on the Air National Guard to represent the states' perspectives. The force structure plan developed by the Air Force included a reduction in the legacy fighter fleet—which resides largely within the Air National Guard—and the acquisition of new aircraft such as the F/A-22 and the Joint Strike Fighter. In late 2004, following completion of the Air Force's process to develop the 20-year force structure plan, a departmentwide shift in funding priorities by the Secretary of Defense reduced the number of F/A-22 aircraft to be acquired. This decision resulted in changes to the Air Force's 20-year force structure

² GAO, *Military Bases: Analysis of DOD's 2005 Selection Process and Recommendations for Base Closures and Realignments*, [GAO-05-785](#) (Washington, D.C.: July 1, 2005).

plan as the Air Force delayed retirement plans for some of its F-16 aircraft to accommodate F/A-22 reductions. This revised force structure plan was provided to the Air Force's base closure team and was used to develop base realignment and closure recommendations. Significant modifications to those recommendations were subsequently made by the congressionally chartered Base Closure and Realignment Commission, which issued its own recommendations to the President on September 8, 2005. However, the *Quadrennial Defense Review*, expected to be completed in February 2006, may require further changes to the Air Force's force structure plan. Perspectives on how well the Air Force's force structure development process worked vary depending on the role and level of involvement of each organization. For example, Air Force officials viewed the process as participatory and noted that the Air National Guard Bureau and the Air Force's major commands had direct representation on the force structure development team. In contrast, Air National Guard officials and officials from one major Air Force command expressed concerns about their ability to influence decisions and 7 of the 10 adjutants general that we contacted believed that they did not have sufficient opportunity to influence the force structure decisions. Because documentation of the proceedings and issues discussed at key meetings attended by the Air Force, the Air National Guard, and the adjutants general was limited, we were unable to evaluate the extent to which stakeholders were able to influence the force structure development process. To prepare Air National Guard units in each state to respond to anticipated force structure reductions, the Air National Guard began a separate effort, referred to as the Vanguard Engagement Strategy, to begin transforming the Guard and solicit input from the states on future roles and missions for the Guard to keep it relevant and ready to support future Air Force requirements. The Vanguard Strategy remains the framework through which the Air Guard develops and refines its input to the Air Force's transformation efforts.

The Air Force has taken steps to identify some new missions for the Air National Guard and test new ways of integrating active, Guard, and reserve units as part of its Future Total Force transformational effort, but lacks a fully developed management framework to guide the process and evaluate the results. The Air Force has taken two important steps in implementing its Future Total Force concept. First, in December 2004, the Chief of Staff of the Air Force announced test initiatives in six states to test new Air Guard missions and new ways to integrate the active and reserve components. The Air Force has continued to evaluate and prioritize additional initiatives over the past several months. Second, in March 2005, the Air Force established the Future Total Force Directorate,

with a 2-year term, to guide the implementation of the Future Total Force concept. Driven by recent force structure and base closure decisions, this new directorate has focused largely on identifying new missions and implementing new constructs to integrate active, Guard, and reserve forces. Our prior work and the work of others show that organizations undertaking complex transformations can increase their likelihood of success by adopting a results-oriented management framework, which includes key management practices and a strategy that includes results-oriented management tools, to guide implementation efforts and achieve desired program outcomes.³ Although the Future Total Force Directorate has drafted a strategic plan that according to directorate officials would address many of these results-oriented management tools, the plan is not yet approved. Consequently, until the strategic plan is approved, there is no requirement that those involved in implementing the Future Total Force concept—including the Air Staff, Air Combat Command, and Air National Guard—use the plan to guide their efforts. The directorate has also established some steps to evaluate the six test initiatives, but these steps do not provide a comprehensive, methodical, and readily evident approach to evaluate the success of the new organizational constructs being tested so that the Air Force can determine the most cost effective ways to organize active and reserve forces to carry out the National Defense Strategy. By moving ahead with its efforts to implement the Future Total Force concept without a comprehensive results-oriented management framework, the Air Force may not be able to efficiently and effectively achieve the transformation to the Future Total Force, adjust to the many uncertainties surrounding transformation, or fully evaluate its test initiatives and overall program results.

We are recommending that the Secretary of Defense direct the Secretary of the Air Force to strengthen the recently established Future Total Force Directorate's management efforts by completing a strategic plan that fully reflects results-oriented management principles, setting specific time frames to accelerate the plan's approval, and developing an evaluation plan for assessing the success or failure of its initiatives designed to test new organizational constructs. In written comments on a draft of this report, DOD agreed with our recommendations and provided information on the actions it plans to take to address them. The Air Force completed

³ GAO, *Military Transformation: Clear Leadership, Accountability, and Management Tools Are Needed to Enhance DOD's Efforts to Transform Military Capabilities*, [GAO-05-70](#) (Washington, D.C.: Dec. 17, 2004).

and approved the Future Total Force strategic plan and stated that it is aggressively working toward its goal of having a clear and comprehensive plan for evaluating Future Total Force alternatives.

Background

The Air Force's aircraft fleet is currently the oldest in the service's history. The average age of the service's aircraft is 23 years, and many tankers and bombers are more than 40 years old. The service has stated that the biggest challenge it faces over the next two decades is replacing its aging aircraft. Accordingly, the Air Force plans to retire some of its older fighters such as the F-16 and has begun purchasing new aircraft such as the F/A-22, currently being fielded, and the F-35 Joint Strike fighter, which is currently under development. At the same time it modernizes and recapitalizes, the Air Force anticipates facing changing and harder to define adversaries; an increased demand for support to combat operations; and affordability challenges.

The Air National Guard is a reserve component of the United States Air Force. It performs both federal and state missions, consists of about 107,000 members, and makes up about 20 percent of the total Air Force. The Air National Guard plays a key role in the Air Force's Aerospace Expeditionary Force,⁴ including providing 100 percent of the air sovereignty missions, 49 percent of theater airlifts, and 45 percent of tanker missions. Since September 11, 2001, Air National Guard pilots and aircraft have played a key role in worldwide Air Force operations, participating in Operation Noble Eagle defending the skies over the United States; Operation Enduring Freedom in Afghanistan; and Operation Iraqi Freedom in Iraq. In their state role, Air National Guard units report to the governor of their respective state, territory (Puerto Rico, Guam, Virgin Islands), or the commanding general of the District of Columbia National Guard and participate in emergency relief support during natural disasters such as floods, earthquakes, and forest fires; search and rescue operations; support to civil authorities; maintenance of vital public services; and counter-drug operations. Most recently, the Air National Guard was involved in the relief effort following Hurricane Katrina in September 2005.

⁴ The Air Force Aerospace Expeditionary Force (also referred to as the Air and Space Expeditionary Force) combines the active, reserve, and Guard into one component that trains, deploys, and operates together. This force is comprised of fighters, bombers, tankers, and tactical air lifters.

The Air Force, its major commands, and the National Guard Bureau each have a role in the management of the Air National Guard. The Air Force and its major commands play a key role in determining the Air National Guard's force structure, approving new missions, and equipping the Guard to perform its missions. In addition, the Air National Guard largely relies on the Air Force to provide its funding through the Planning, Programming, Budgeting, and Execution process. The National Guard Bureau administers the federal functions of the Air National Guard and works with the Air Force Air Staff to develop and coordinate programs that directly affect the Guard. The Bureau also formulates and administers programs for training, development, and maintenance of Air National Guard units. In accordance with Title 10 of the United States Code, the National Guard Bureau also acts as the channel of communication between the Air Force and the 54 states and territories where National Guard units are located.⁵

Additionally, National Guard units in each of the 54 states and territories are commanded by an Air Force or Army officer known as the adjutant general. The adjutants general are, for the most part, state or territory employees and work for the governor. The adjutants general are responsible for overseeing Guard units' federal and state missions and may also serve as state emergency management directors. The adjutants general are advocates for the views of their state and work closely with the National Guard Bureau, Air Force, and Army to ensure the National Guard is ready to respond to the nation's needs both overseas and domestically.

Stakeholder Views on Extent of Input and Transparency of Force Structure Development Process Differ

From November 2002 through September 2004, the Air Force developed a 20-year force structure plan through a multistep, iterative process that included periodic review and oversight by senior-level Air Force, Air National Guard, and DOD officials and a complex process of modeling and analysis; however, stakeholders have different views on the transparency of the process and the extent to which the Air Force sought and addressed input from process participants. Moreover, the adjutants general were not directly involved because the Air Force relied on the Air National Guard to represent the states' perspectives. A wide range of perspectives exist on how well this process worked, depending on the role and level of involvement of each organization. Limited documentation exists to show

⁵ 10 U.S.C. §10501.

the various organizations represented at planning meetings and briefings, but the documentation does not indicate what issues were discussed or whether input was sought from all participants. Therefore, we were unable to evaluate the extent to which stakeholder interests influenced the Air Force's proposed force structure, which was referred to as the Beacon Force. To prepare the Air National Guard units in each state for the anticipated force structure reductions, the Director, Air National Guard, began a separate effort known as the Vanguard Engagement Strategy to solicit input from the states on future roles and missions for the Air National Guard to support future Air Force requirements within whatever force structure emerged from the force structure planning process. Although this effort also met with some resistance from participants, it continues to be the framework through which the Air National Guard provides input to the Air Force's Future Total Force initiative.

Force Structure Planning Process Included Iterative Analysis and Periodic Oversight

The Air Force used a multistep, iterative process to develop its 20-year force structure plan—also referred to as the 2025 force structure plan. The Air Force began to develop its long-term plan in response to a provision in the Base Closure and Realignment Act, as amended through 2003, which required the Secretary of Defense to submit to the Congress a 20-year force structure plan beginning with fiscal year 2005.⁶ According to current and former Air Force officials, as the service began projecting its existing force structure plans over the 20-year period, it believed that the existing plan it had in place would be unaffordable in the longer term and took several steps to develop a more affordable plan that would still provide required capabilities.

The Air Force's Strategic Planning Directorate led this 2-year effort—from November 2002 through September 2004—to develop a more affordable long-term force structure plan with the intention of using the 2025 force structure plan as the basis for both base realignment and closure decisions

⁶ Pub. L. No. 107-107, section 2912(a) (1) (A) required DOD to develop a 20-year force structure plan as the basis for its base closure and realignment analysis. The plan was to begin with fiscal year 2005 and be based on an assessment of the (1) probable threats to U.S. national security during the 20-year period, (2) the probable end-strength levels and major force units needed to meet the threats, and (3) the anticipated level of funding available for national defense.

and the 2005 *Quadrennial Defense Review*.⁷ Table 1 provides a chronology of the key events surrounding the force structure development and summarizes stakeholder participation in the process.

Table 1: Key Events and Stakeholder Participation in The Force Structure Development Process

Time frame	Key events	Stakeholders participating and providing input
November 2002–April 2003	<ul style="list-style-type: none"> Air Force Strategic Planning Directorate began planning for development of affordable 20-year force structure plan to meet Base Closure and Realignment Act requirements Initial meetings held to solicit stakeholder input on current and future force structure plans CORONA^a and Chief of Staff briefed on the current plan/broad options 	<ul style="list-style-type: none"> Chief of Staff of the Air Force Air Force four-star generals Director, Air National Guard Chief, Air Force Reserve Major commands Air Force Studies and Analyses Agency
May 2003	<ul style="list-style-type: none"> Stakeholders asked to provide current, future unconstrained, and future constrained force structure plans Strategic Planning Directorate determined that an integrated long-term force structure plan does not exist and, projected over the long-term, current major command plans are unaffordable Chief of Staff briefed on results 	<ul style="list-style-type: none"> Chief of Staff of the Air Force Major commands Air Force Studies and Analyses Agency Air National Guard Air Force Reserve Command
June 2003	<ul style="list-style-type: none"> CORONA members briefed on current, constrained, and “strawman” force structure based on initial plans from major commands CORONA members approved follow-on briefings to major commands 	<ul style="list-style-type: none"> Air Force four-star generals Director, Air National Guard Chief, Air Force Reserve
July – August 2003	<ul style="list-style-type: none"> “Strawman” force structure briefed to major commands, Air National Guard, and Air Force Reserve Command to inform and obtain input Developed consolidated long-term force structure plan to balance competing priorities of all major commands 	<ul style="list-style-type: none"> Major commands Air Force Studies and Analyses Agency Air National Guard Air Force Reserve Command
September 2003	<ul style="list-style-type: none"> Chief of Staff and Air Force Secretary briefed on long-term force structure plan Four-star generals and Air National Guard Director briefed on force structure plan; including specific reductions to legacy fleet and need to consolidate active and reserve components Force structure plan submitted to Joint Staff as initial submission for base realignment and closure process 	<ul style="list-style-type: none"> Secretary of the Air Force Chief of Staff of the Air Force Air Force four-star generals Director, Air National Guard

⁷ The congressionally mandated 2005 *Quadrennial Defense Review*, scheduled for publication in February 2006, is a DOD-wide, comprehensive review intended to provide a basic strategy for addressing critical issues such as budget and acquisition priorities, emerging threats, force modernization, and the force structure required for the next 20 years.

Time frame	Key events	Stakeholders participating and providing input
November 2003	<ul style="list-style-type: none"> CORONA members briefed on force structure plan; questions arose on “optimum” force structure option 	<ul style="list-style-type: none"> Air Force four-star generals Director, Air National Guard Chief, Air Force Reserve
January – February 2004	<ul style="list-style-type: none"> Air Force “Tiger Team” formed to address CORONA concerns and validate long-term force structure plan; efforts focused on the combat air force (i.e., fighters, bombers) and verifying capabilities provided Air Force Studies and Analyses Agency evaluated options to optimize combat force capabilities within anticipated funding levels Periodic briefings provided to stakeholders including major commands and Air National Guard Air Force “optimal” option became known as the Beacon Force Detailed plans developed for fiscal year 2006 budget submission based on Beacon Force 	<ul style="list-style-type: none"> Air Staff Air Force Studies and Analyses Agency Major commands Air National Guard
May 2004	<ul style="list-style-type: none"> Air Force Secretary and Chief of Staff and then CORONA members briefed on the Beacon Force Beacon Force approved as Air Force 2025 force structure plan 	<ul style="list-style-type: none"> Secretary of the Air Force Chief of Staff of the Air Force Air Force four-star generals Director, Air National Guard Chief, Air Force Reserve
June 2004	<ul style="list-style-type: none"> 2025 force structure plan briefed to Deputy Secretary of Defense 	<ul style="list-style-type: none"> Deputy Secretary of Defense Secretary of the Air Force Chief of Staff of the Air Force Air Staff
July 2004	<ul style="list-style-type: none"> 2025 force structure plan briefed to adjutants general conference 	<ul style="list-style-type: none"> Secretary of the Air Force Chief of Staff of the Air Force Air Staff Director, Air National Guard Adjutants general
September 2004	<ul style="list-style-type: none"> The Secretary of Defense and senior leadership briefed on the 2025 force structure plan Secretary of Defense approved the Air Force’s proposed 2025 force structure plan 	<ul style="list-style-type: none"> Secretary of Defense Senior Leadership Review Group Air Force Senior Leadership
December 2004	<ul style="list-style-type: none"> Office of the Secretary of Defense issued Program Budget Decision 753 which reduced funding for the F/A-22 and ended procurement in 2008 rather than 2011 Air Force adjusted its approved force structure plan to slow retirement of F-16 aircraft to compensate for F/A-22 reduction 	<ul style="list-style-type: none"> Secretary of Defense Air Staff
March 2005	<ul style="list-style-type: none"> In accordance with the Base Closure and Realignment Act, the Secretary of Defense submitted the Air Force’s revised 20-year force structure plan to the Congress as part of DOD’s submission 	<ul style="list-style-type: none"> Secretary of Defense

Source: GAO’s analysis of Air Force information.

*CORONA is a term the Air Force uses for meetings of its four-star generals and senior leadership held three times a year to discuss servicewide issues.

As shown in table 1, between November 2002 and April 2003, the directorate held a series of meetings with subject matter experts from across the service, including representatives from the Air Staff, major commands (e.g., Air Combat Command), Air National Guard, Air Force Reserve Command, and Air Force Studies and Analyses Agency, to identify the existing long-term force structure plan and solicit input on the future plan. The directorate determined that while episodic attempts had been made at establishing a long-term plan in the past, an integrated, comprehensive, and fiscally realistic plan simply did not exist.⁸

As the directorate developed the 2025 force structure plan, the major commands, the Air National Guard, and Air Force Reserve Command were asked to provide input to the process, according to Air Force officials. The directorate provided periodic briefings to the senior leadership of the Air Force, the major commands, the Air National Guard, and the Air Force Reserve Command throughout the force structure development process. According to the former Deputy Director of the Strategic Planning Directorate who led the development effort, the directorate adjusted the force structure plan several times based on input from stakeholders and guidance from senior Air Force leadership, before reaching agreement on a consolidated long-term force structure plan that balanced the competing priorities of all of the major commands across the Air Force. He further noted that when the Air Force four-star generals and the Air National Guard Director were briefed on and approved the consolidated force structure plan in September 2003, the participants recognized that the smaller force structure would require the Air Force to integrate its active and reserve components to a greater extent. This consolidated 20-year force structure plan served as the Air Force's initial submission to the Joint Staff as part of the base realignment and closure process in late September 2003.

In November 2003, during a subsequent briefing to senior Air Force leaders—in a meeting known as CORONA—questions arose about whether the force structure plan submitted to the Joint Staff in September was the “best possible” force structure option.⁹ The senior leadership was particularly concerned about the adequacy of the combat air force

⁸ Previous Air Force efforts had focused primarily on the 6-year defense plan used in the Defense Planning, Programming, Budgeting, and Execution process.

⁹ CORONA is a term the Air Force uses for meetings of its four-star generals and senior leadership held three times a year to discuss servicewide issues.

included in the proposed plan. To address these questions, the Air Staff formed a “Tiger Team” to evaluate the proposed force structure plan. The team worked with the Air Force Studies and Analyses Agency¹⁰ to evaluate the proposed force structure plan against other possible options. The Air Force Studies and Analyses Agency used modeling and analyses to evaluate the September 2003 submission to the Joint Staff against 17 other options to identify the option that would, in their words, “optimize” capabilities required to meet the National Defense Strategy¹¹ within anticipated budget levels.¹² According to senior Studies and Analyses Agency officials, at the direction of the Tiger Team, their analysis focused on the combat air force—in other words, fighter and bomber aircraft—and on determining the number of those aircraft required to provide desired capabilities.¹³ Studies and Analyses Agency officials also stated that the analysis did not consider whether the aircraft would be flown by the active or reserve component force. Further, they stated that the methodology included first setting aside the number of aircraft required to meet the U.S. Northern Command’s existing homeland defense requirements¹⁴ and then distributing the remainder of the aircraft to meet the other requirements of the National Defense Strategy. Upon completion of the analysis, the Studies and Analyses Agency determined that the force structure plan submitted to the Joint Staff in September 2003 was, in fact, the best option.

¹⁰ The Air Force Studies and Analyses Agency reports directly to the Vice Chief of Staff of the Air Force and provides analysis to the Chief of Staff and Secretary that is intended to enhance the quality of defense reviews, force structure and resource allocation processes, and air expeditionary force actions.

¹¹ As set out in the *2001 Quadrennial Defense Review*, the National Defense Strategy provides strategic-level guidance for developing force structure. The strategy calls for defending the United States while serving as a deterrent in four critical regions and swiftly defeating adversaries in two overlapping major conflicts with the capability of winning decisively in one of them for an enduring result. At the same time, the capability should exist to conduct a limited number of smaller-scale contingency operations. This is commonly referred to as “1-4-2-1.”

¹² The Air Force Studies and Analyses Agency used its Combat Force Assessment Model to compare the Strategic Planning Directorate’s 20-year force structure plan to 17 alternative options to measure the effect that increases or decreases in the availability of particular weapon systems would have on both effectiveness and cost.

¹³ According to Studies and Analyses Agency officials, for this analysis the mobility air force—those aircraft that provide airlift and refueling capability—was only considered in terms of how the refueling capabilities might affect the capabilities of the combat air force.

¹⁴ The U.S. Northern Command is responsible for executing homeland defense activities and supporting civilian authorities when requested.

The Air Staff formally briefed the plan—now known as the Beacon Force—to the adjutants general for the first time in July 2004. Prior to that time, the Air Force had primarily relied on the Air National Guard to represent the adjutants generals' views in the force structure development process.¹⁵ The plan included the acquisition of new aircraft, such as the F/A-22 and the Joint Strike Fighter, and a steep reduction in the F-16 fleet, which comprises a significant portion of the Air National Guard fighter fleet, and it was expected that some Air National Guard units would lose their aircraft and associated flying missions as a result. Both Air National Guard and Air Combat Command officials told us that they had concerns about the Beacon Force plan and its effect on their ability to perform the homeland defense mission while meeting Air Expeditionary Force commitments. To address their respective concerns, Air Combat Command and Air National Guard officials worked together to develop an alternative proposal that would allow the Air Force to retain a larger portion of the F-16 fleet. Representatives of the Air Guard and Air Combat Command presented their proposal to the Air Staff in October 2004, but according to Command and Guard officials, they were told the proposal could not be considered because the Beacon Force plan had already been approved by the Secretary of the Air Force and the Secretary of Defense.

In December 2004, 3 months after approving the Air Force's Beacon Force plan, the Office of the Secretary of Defense issued Program Budget Decision 753, which reduced the Air Force budget and shifted funds to the Army.¹⁶ This budget reduction drove the Air Force to alter its 20-year force structure plan. The budget decision reduced funding for the F/A-22 by \$10.5 billion and cut 96 aircraft from the planned procurement quantity, leaving a total of 178 aircraft to be procured.¹⁷ To adjust to this reduction in the number of F/A-22s to be purchased, the Air Force adopted an alternative force structure plan—1 of the 17 previously evaluated by the

¹⁵ Air Force officials cited the Title 10 authority (10 U.S.C. §10501) of the National Guard Bureau to act as the channel of communication between the Department of the Air Force and the states.

¹⁶ Program Budget Decision 753 was DOD's reaction to an Office of Management and Budget mandate to cut \$55 billion from its Fiscal Years 2006–2011 Future Years Defense Program and, at the same time, add \$25 billion to the fiscal years 2007–2011 Army budget to cover the cost of the ongoing reorganization known as Army Modularity. The net result was a reduction of \$30 billion in DOD's budget over a 6-year period.

¹⁷ Program Budget Decision 753 nominally reduced the procurement quantity to 179 aircraft. Subsequently, the Air Force transferred one production aircraft to be dedicated to testing, thus reducing the procurement quantity to 178.

Air Force Studies and Analyses Agency—that slowed the retirement of its F-16 fleet. According to Air National Guard and Air Combat Command officials, the revised force structure plan alleviated some of their concerns because it slowed the reduction of the F-16 fleet and allowed the Guard to retain a greater number of flying units in the near term.

The revised 20-year force structure plan was submitted to the Congress in March 2005. The plan was also used by the Air Force’s base closure and realignment team to reorganize the fleet by determining where the planned force structure (i.e., aircraft) would be located and who would operate it (i.e., the active or reserve components). We did not evaluate the Air Force’s base closure and realignment assessment and recommendations process for this report. However, we separately reported on the overall DOD base closure and realignment process in July 2005.¹⁸ The congressionally chartered Base Closure and Realignment Commission made significant modifications to DOD’s recommendations—particularly with respect to Air National Guard units—in its recommendations to the President on September 8, 2005.

The force structure plan may continue to evolve as a result of the 2005 *Quadrennial Defense Review*. This review is an ongoing, congressionally mandated study conducted by DOD that is expected to result in new guidance on strategy, forces, and risks derived from extensive deliberations and consultation. The purpose of the *Quadrennial Defense Review* is to provide a basic strategy for addressing critical issues such as budget and acquisition priorities, emerging threats, types and levels of force structure, and capabilities, for the next 20 years. Results of the review are scheduled for publication in February 2006 and may result in changes to the Air Force’s 20-year force structure plan.

Stakeholder Participation and Perceptions of the Force Structure Development Process Vary

As shown in table 1, many key stakeholders participated directly in the force structure development process, including representatives of the Air Staff, the major commands, the Air Force Studies and Analyses Agency, the Air National Guard, and the Air Force Reserve Command. The force structure development team also provided numerous briefings throughout the process to audiences that included the Secretary and Deputy Secretary of Defense, senior Air Force leadership, major commands, Air Force

¹⁸ GAO, *Military Bases: Analysis of DOD’s 2005 Selection Process and Recommendations for Base Closures and Realignments*, [GAO-05-785](#) (Washington, D.C.: July 1, 2005).

Reserve Command, Air National Guard, and state adjutants general. Although periodically briefed by the Air Staff and the Guard Bureau on the Air Force's overall plans to adjust the force structure, the adjutants general did not participate directly in the process.

Through our discussions with Air Force Air staff, major command, and Air National Guard officials, as well as 10 adjutants general, we found that key stakeholders included in and affected by the force structure development process have varying, and sometimes disparate, perceptions of the process depending on their role and involvement. We requested minutes or other documentation of key meetings, but Air Force and Air National Guard officials told us that this documentation did not exist. Therefore, we were unable to assess the exact nature and extent of stakeholder involvement or evaluate the perceptions and views of key participants. The following summaries describe the perspectives provided by the Air Staff, Major Commands, Air National Guard, and adjutants general officials we interviewed.

Air Staff. The Air Staff officials we spoke with told us that they used a process based on the Air Force Corporate Structure, which formalizes review and decision making by bringing together representatives from across the Air Force to discuss issues and develop recommended courses of action. Air Staff officials noted that key stakeholders, including the Air National Guard and major commands, were invited to attend and were present at many of the meetings and briefings over the 2-year period during which the force structure was being developed. During these meetings, it was the Air Staff's expectation that Air National Guard participants would (1) raise concerns about the force structure plan and (2) represent the views of the adjutants general in the discussions in accordance with Title 10 of the United States Code, which establishes the National Guard Bureau as the channel of communication between the Air Force and the states. According to the Director, Future Total Force Directorate, these meetings provided the opportunity for all involved to raise concerns and have them openly discussed. However, in the opinion of this official, this opportunity is dependent upon the representative to make and defend the position of his or her organization. In the absence of objections, the group as a whole assumes that all are in agreement. With respect to the adjutants general, the former Deputy Director of the Air Force Strategic Planning Directorate told us that in addition to the formal briefings, the directorate staff provided several briefings to individual adjutants general throughout the force structure development process. However, available documentation we obtained did not indicate how many briefings were given or to whom. Directorate staff viewed these meetings

as opportunities for the adjutants general to share their views, provide direct input, and influence the force structure development process.

Major Commands. Air Combat Command and Air Mobility Command officials told us that they were consulted about force structure options and that they had several opportunities to provide input into the process. However, Air Combat Command officials noted that while they were included in the process through various briefings and meetings, they often did not know how their input was used. Further, Air Combat Command officials noted that when they submitted an alternative proposal to the force structure plan in October 2004, prepared in conjunction with the Air National Guard, it was met with resistance from Air Staff officials because the Air Force's force structure plan had already been approved by the Secretary of the Air Force and the Secretary of Defense.

Air National Guard. Air National Guard officials told us that while they participated in numerous meetings and briefings held by the Air Staff, they did not believe that their views, opinions, and input were being sought. Air Guard officials often viewed these meetings as informational in nature because the Air Staff described overall anticipated force structure cuts without details on where the cuts would be made and how the reductions would affect the Air National Guard. The Air National Guard officials whom we talked with noted that the Guard representatives were frequently outranked at these meetings and, as a result, did not feel that the environment was conducive to raising their concerns and consequently remained silent. Several Guard officials told us that on the occasions when they raised concerns or objections, their input was met with negative reactions from the Air Staff and on at least one occasion they were told that the decision had already been approved by the Air Force senior leadership and their input was too late. Overall, as previously discussed, the Air National Guard believed that the Beacon Force plan would reduce its F-16 fleet too quickly and that the Guard would absorb a disproportionately high portion of the cuts. DOD's December 2004 budget decision that limited the F-A/22 acquisition and slowed the retirement of the F-16 fleet resolved these concerns to some extent.

Adjutants general. For the most part, the adjutants general we interviewed (7 of 10) were in agreement in their belief that they did not have sufficient opportunity to provide input or to influence the force structure development process. Three of the 10 adjutants general that we interviewed told us that they viewed the briefings and information they received on the force structure development process to be "big picture" options under consideration, with few specific details. Half of the

adjutants general noted that despite their efforts to engage the Air Force in discussion about specific force structure issues, in their opinion, the Air Staff was not receptive to their input. Six of the adjutants general we met with specifically noted their belief that the Air Force did not adequately consider the Guard's responsibility for homeland security or the Guard's requirements to participate in other state missions in making its force structure decisions. For example, three adjutants general expressed concern that if some or all of the aircraft in their states were retired, they would also lose associated personnel whose state role is to perform security or firefighting missions.

Air National Guard Vanguard Strategy Initiated to Identify Future Roles and Missions

During the same period that the force structure plan was being developed, the Air National Guard developed its Vanguard Engagement Strategy to establish a forum to ensure that the Guard remains ready, reliable, and relevant as the Air Force adjusts its current force structure, by providing input into the Air Force's decision-making processes. The strategy encouraged the state adjutants general and units to begin identifying new roles and missions that they could support in the future. Although under way at the same time as the force structure was being developed, the Guard's Vanguard strategy was not formally linked to the force structure development process, according to Air Force and Air National Guard officials.

As noted previously, the Air National Guard used its Vanguard strategy as a means of involving the adjutants general in thinking about and planning for the future. Over the period from December 2002 through late 2004, Air National Guard officials engaged in a variety of efforts to encourage state Guard officials to begin thinking about the future of their units and identifying possible new missions that would be appropriate for their state. Outreach efforts by senior Air National Guard leaders included presentations to the Adjutants General Association of the United States and senior leadership conferences. During these meetings, Air National Guard and on some occasions senior Air Force leaders discussed the overall force structure planning process and expected results. Additionally, one senior Air National Guard official told us that he made personal contact with the adjutants general of most of the 54 states and territories to discuss potential force structure reductions and the Vanguard initiative. During these individual meetings, the official discussed the overall force structure plan, specific changes that could affect each state, and possible ideas for new missions.

According to Air National Guard officials, the Vanguard Strategy was met with a variety of reactions from the adjutants general. Many state organizations responded to the Air National Guard's request for new mission proposals by offering ideas and proposals of their own. As of November 2005, 46 of the 54 states and territories—about 85 percent—had submitted proposals through the Vanguard process. Additionally, according to Air National Guard officials, some states submitted proposals for new missions directly to the Air Staff, rather than through the Vanguard process, and some states organizations chose not to submit any new mission ideas for their state at all.

According to senior Air National Guard officials, the Vanguard Engagement Strategy remains the framework through which the Air National Guard develops and refines its input to the Air Force's Future Total Force transformation effort. In addition, Future Total Force Directorate officials told us that all proposals from state organizations must now be funneled through the Air National Guard process and that they no longer accept proposals directly from state organizations.

Air Force Proceeding with Future Total Force Implementation without a Fully Developed Management Framework

The Air Force is proceeding with implementation of its Future Total Force transformation concept—which is centered on new ways of using and organizing the active, Guard, and reserve components—without a fully developed management framework to guide its efforts and facilitate evaluation of the new organizational constructs currently being tested. As the Air Force developed its 20-year force structure plan and prepared its base closure and realignment recommendations, it concluded that new ways of operating would be required in the future and embarked on implementing its Future Total Force concept. Specifically, the Air Force announced initiatives to begin testing some new organizational constructs for integrating active, reserve, and Guard units, and also established a temporary office to initiate and manage implementation of these efforts. Implementing organizational changes, such as those the Air Force is attempting, are difficult and require concentrated effort and a management framework that sets forth a clear strategy that includes results-oriented management tools—such as long-term goals, strategies and performance measures—to guide implementation efforts and evaluate new concepts. However, the directorate is still in the process of developing a strategic plan to guide the Future Total Force transformation effort, and specific time frames have not been set for approving the plan. Without a management framework that includes a strategic plan and a comprehensive plan for evaluating its test initiatives, the Air Force's ability to implement the Future Total Force effort efficiently and effectively may

be limited, and the overall progress and success of its efforts will be more difficult for DOD managers and the Congress to assess.

Air Force Has Taken Initial Steps to Implement Future Total Force Concept

The Air Force is facing significant challenges that could ultimately affect its combat capabilities: an aging fleet of aircraft that needs to be replaced or modernized, adversaries that are increasingly hard to define, and affordability challenges. These challenges combined with anticipated reductions in its force structure have driven the Air Force to embark on an effort to transform its force to better integrate active and reserve forces. The resultant Future Total Force concept, if fully implemented, could have a substantial impact on the way the Air Force and its reserve components operate and are organized. The Future Total Force concept consists of two components: (1) creating a long-term plan for a smaller, more capable and affordable force structure that is capable of addressing future threats and (2) using new organizational arrangements that allow the Air Force to better use the personnel in all its components by integrating its active and reserve component forces into mixed units. For example, the Air Force asserts that its new aircraft, such as the F/A-22 fighter, will be more capable and more reliable than current aircraft, thus providing an opportunity to use a higher number of crews per aircraft to take advantage of the aircraft's capabilities. The Air Force plans to increase the number of crew members available by combining active and reserve component forces into co-located active, Guard, and reserve units that share aircraft. In addition, the service plans to meet increasing demand for certain new and emerging missions, such as operating unmanned aerial vehicles and analyzing intelligence, by assigning more of those missions to Guard and reserve units. According to Air Force officials, these efforts will also allow the Air Force to respond to changes brought about by base closure and realignment decisions, including 18 Air National Guard units that will lose their aircraft and flying missions.

Over the last year, the Air Force has taken two important steps toward implementing the Future Total Force concept. First, in December 2004, the Secretary of the Air Force announced six test initiatives—four focused on integrating active, Guard, and reserve units through the use of new organizational constructs and two that assigned emerging missions to Guard and reserve units. The initiatives included the first Air National Guard units that will operate Predator unmanned aerial vehicles, the first “community-based” unit where the Air Force will station active duty

personnel at a Guard unit, and the first active duty and Guard units to fly the F/A-22 fighter aircraft as integrated “associate” units.¹⁹ Table 2 lists the Future Total Force test initiatives and provides a brief description of each.

Table 2: Future Total Force Initiatives Announced by the Air Force in December 2004

Initiative	Description
Richmond to Langley Integration	The Virginia Air National Guard’s Richmond-based 192 nd Fighter Wing will join the 1 st Fighter Wing at Langley Air Force Base in an associate unit to operate the F/A-22 fighter aircraft. Guard pilots and maintenance personnel have begun training for the new mission.
Vermont Community Basing	The Air Force will station active duty personnel at Vermont Air National Guard’s 158 th Fighter Wing in an associate unit to use experienced Guard personnel to train inexperienced active duty personnel and to test whether the personnel services normally provided on an active Air Force base can be obtained from the local community. The first of 12 active duty personnel reported for duty in Vermont in June 2005.
Arizona and Texas Predator Missions	Arizona and Texas Air National Guard members will operate Predator unmanned aerial vehicles in their respective states. Six crews were in training as of October 2005. Air Force analysis to determine appropriate unit size and location is under way.
New York Distributed Ground Station	Initially, the Air Force planned for the New York Air National Guard to process global intelligence information; however, subsequent increased demand for unmanned aerial vehicles caused the Air Force, after discussions with state officials, to change the proposed new mission from the Ground Station to a Predator mission. Plans for establishing the Predator unit are under development.
Nevada Air Warfare Center	The Air Force plans to integrate Nevada Air National Guard personnel into Predator operations and Air Force Reserve personnel into most missions at the Air Warfare Center.
Hill Air Force Base, Utah Integration	The Air Force Reserve’s 419 th Fighter Wing will integrate with the active duty’s 388 th Fighter Wing in an associate unit, both units currently operate F-16 fighters at Hill Air Force base. Agreements on how the units will operate were being coordinated as of October 2005.

Source: GAO, developed from Air Force data.

At the time of our review, the initiatives were in varying stages of development. For example, some of the initiatives including the Richmond to Langley integration and the Vermont Community Basing had been under development prior to the announcement and formalized implementation plans have been finalized and agreed to by the Air Combat Command, the Air National Guard, and the state adjutants general. As shown in table 2, training of those involved in these integration initiatives has already begun. In other cases, such as the Texas Predator and New York

¹⁹ Associate units combine active and reserve component units in an integrated work environment to share aircraft and perform support, maintenance, instruction, and day-to-day missions. The Air Force has used the associate unit organizational construct in the past in the mobility community where active and Air Force Reserve Command units frequently share mobility aircraft, such as the C-130 and KC-135.

Distributed Ground Station initiatives, little planning was done in advance and, in fact, according to state officials, little notice was provided to the affected states prior to the public announcement. For several of the initiatives, much planning remains to be done before implementation can be completed. In addition, as discussed later, the Air Force has identified several hundred other potential initiatives, which it has prioritized for future implementation.

The second step taken by the Air Force to implement the Future Total Force concept was to establish a new directorate in March 2005 to provide a focal point for managing the transformational initiatives that promote the Future Total Force concept; the new directorate also assumed responsibility for overseeing implementation of the test initiatives.²⁰ The Air Force established the directorate on a 2-year temporary basis, with the intention of incorporating the Future Total Force concept into usual Air Force practices and thus ultimately eliminating the need for an office dedicated to promoting and managing these ideas. The directorate is staffed with representatives from stakeholder organizations including the Air Staff, Air National Guard, Air Force Reserve Command, and several states. In addition, the Air Force has established two working groups to provide support and guidance to the directorate. These working groups also involve representatives from the Air Staff, major commands, reserve components, and adjutants general. Several stakeholders we interviewed told us that their inclusion in the Future Total Force Directorate and its working groups has improved communication between the Air Force and the Air Guard and that they have recently had more opportunity to provide input to key decisions.

Since its inception, the Future Total Force Directorate has continued to oversee development of the Future Total Force test initiatives, but has largely focused its efforts on identifying additional new missions and integration opportunities for Guard and reserve units, particularly those affected by the base closure and realignment decisions. First, the directorate evaluated the impact of base closure recommendations and other planned actions on active, Guard, and reserve units. Second, the directorate, working with key stakeholder organizations, identified and prioritized a list of about 300 potential new missions and integration

²⁰ Although the Future Total Force concept has been in development for several years, previous efforts had been carried out at a lower organizational level within the Air Force's Strategic Planning Directorate. The new directorate was established in order to devote the full-time effort believed necessary to fully implement the concept.

opportunities into four categories ranging from highest to lowest priority, at times combining new missions with integration opportunities—such as an associate Predator unit operated by an integrated active and Guard unit.²¹ Third, the directorate plans to use this list to evaluate and match potential missions with 18 units affected by 2005 base closure decisions. Once missions have been determined for these units, the directorate plans to begin assigning the remaining missions to other units. The Air Force indicates that it plans to complete implementation of about 60 percent of the highest priority initiatives by fiscal year 2007 and about 87 percent of all initiatives by fiscal year 2009.

The Air Force Has Not Fully Developed a Management Framework Needed to Guide Implementation Efforts and Fully Test Initiatives

Implementing significant transformational changes, such as those the Air Force is attempting under the Future Total Force concept, are difficult and require concentrated effort to accomplish established goals. Our prior work and the work of others show that organizations undertaking complex transformations can increase their likelihood of success by adopting a results-oriented management framework, which includes key management practices and a strategy that includes results-oriented management tools, to guide implementation efforts and achieve desired program outcomes.²² Key management practices include leadership that defines and articulates a compelling reason for change; sets the direction, pace, and tone for transforming; assigns accountability for results; and is supported by a dedicated implementation team, which, in turn, can provide the focused, day-to-day direction needed for success.²³ The Air Force has taken steps that address several of these key management practices and provide certain aspects of a framework to guide its overall Future Total Force effort. For example, the Air Force has developed the

²¹ With input from the major commands, Air National Guard, and Air Force Reserve Command, the directorate prioritized the missions list by grouping missions into one of four bands: Band 1, the highest priority, contains those the Air Force “must do” to satisfy congressional mandates, existing laws, etc.; Band 2 missions are considered “mission critical” to the Air Force achieving its objectives; Band 3 missions are “mission significant,” meaning that failing to perform the tasks could negatively affect overall effectiveness; and Band 4 missions are “mission enhancing,” meaning that they would be nice to do if resources are available. In addition, some missions were not included in the bands because they were added to the list after the prioritization process was complete.

²² GAO, *Military Transformation: Clear Leadership, Accountability, and Management Tools Are Needed to Enhance DOD’s Efforts to Transform Military Capabilities*, [GAO-05-70](#) (Washington, D.C.: Dec. 17, 2004).

²³ GAO, *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*, [GAO-03-669](#) (Washington, D.C.: July 2, 2003).

Future Total Force concept over a period of several years and has described the needs and reasons for change in its policies and guidance to subordinate organizations. The Air Force, as previously discussed, has also recently established the Future Total Force Directorate to provide day-to-day management, accountability, and an increased emphasis on this transformation effort.

An effective management framework also includes a clear strategy that articulates a mission and vision and incorporates the use of specific results-oriented management tools, such as those embodied by the Government Performance and Results Act of 1993,²⁴ to provide organizations with a way to effectively implement and manage transformation efforts. This framework can shift the focus of organizations from measuring activities and processes to identifying and measuring desired results. Table 3 lists and describes the results-oriented management tools used in our analysis.

Table 3: Key Results-Oriented Management Tools

Long-term goals	Long-term goals identify overall expected results and when to expect such results.
Strategies to be used	General methods the agency plans to use to effectively and efficiently accomplish long-term goals.
Performance goals	Derived from long-term goals, should establish intended performance and focus on results required.
Performance measures	Specific, objective indicators used to measure progress toward achieving goals.
Evaluation and corrective action plans	An evaluation plan is an objective and formal assessment of the results of a major effort; a corrective action plan describes how evaluation findings will be used to improve performance or revise unmet goals.

Source: GAO guidelines.

Long-term goals should explain what results are expected, should be results-oriented, and should be expressed in a way that allows them to be assessed in terms of achievement. Goals can help an organization communicate what it intends to accomplish. Performance measures should be objective and results oriented with specific target levels to meet performance goals. Measuring performance allows organizations to track

²⁴ Pub. L. No. 103-62 (1993).

progress toward goals and provides crucial information on which to base organizational and management decisions. Organizations use evaluation and corrective action plans to examine the success of a program and to improve performance by identifying appropriate strategies to meet those goals that were not met. An evaluation plan is a particularly important management tool for implementing the Future Total Force concept because of the new organizational constructs that will be required and the complex challenges that they present. For example, integrating active and Guard units may require changes to how those forces are employed, their organizational structures and cultures, personnel policies and career progression, how they are trained, and the unit command structure.

At the time of our review, the Air Force had not yet fully developed these elements. The Future Total Force Directorate was developing a strategic plan that directorate officials said would address many of the results-oriented management tools we described above. In addition, the officials said that the plan would include the directorate's organizational vision and mission; lay out its strategic goals and objectives, and identify specific steps to achieve them; and provide for an annual review using specific performance measures to gauge success in achieving each goal. As of November 2005, however, the strategic plan was still in draft form and had not yet been approved, nor had specific time frames been set for approving the plan. Furthermore, directorate officials said that approval of their strategic plan is dependent upon approval of the Air Force Deputy Chief of Staff for Plans and Programs' (their parent organization) strategic plan, which is not expected to be finalized until early 2006.

Also, as of November 2005, the Air Force had developed implementation plans for two of the Air Force initiatives designed to test new organizational constructs that will integrate active, Guard and reserve units, which are the foundation of the Future Total Force concept. However, these two implementation plans lacked comprehensive methods to evaluate and assess the results of the initiatives. For example, the approved implementation plan for the Vermont initiative describes to a limited extent some metrics that will be used to evaluate both mission and non-mission-related activities such as the skill progression of active duty maintenance personnel as a result of training with more experienced Air National Guard personnel and the satisfaction of active duty personnel in obtaining support from the local community. The Virginia initiative implementation plan describes metrics for crew ratios and utilization rates that the Air Force intends to use to measure the effectiveness of that initiative, but does not address other metrics. Also, the Director of the Future Total Force Directorate told us that other steps will be taken to

evaluate the test initiatives, including (1) the test units will be continuously monitored so that implementation issues may be addressed as they arise, (2) implementation obstacles and lessons learned are discussed at monthly meetings of the Future Total Force working groups, and (3) the directorate's strategic plan, once approved, will set out several other indicators that can suggest whether the Future Total Force concept is producing the desired results. According to directorate officials, these indicators will include

- traditional Air Force measurements of unit effectiveness such as readiness, crew ratios and utilization rates, and sortie generation rates;
- reserve component volunteerism compared to involuntary mobilization;
- trends in the number of deployable active, Guard, and reserve personnel for the Air Expeditionary Force; and
- progress toward implementing the 20-year force structure plan.

Taken as a whole, the compilation of metrics contained in the approved implementation plans for two of the test initiatives and the other measures that Future Total Force Directorate officials have described as being contained in the draft strategic plan are good first steps, but do not provide a comprehensive, methodical, and readily evident approach to evaluating the success of the new organizational constructs being tested. As we have previously reported, such a formal study process can provide a rigorous framework for data evaluation, development of lessons learned, and increase the visibility of the process to outside organizations. For example, best practices by other governmental organizations and the private sector rely on detailed study plans, or data collection and analysis plans, to guide the development of studies and experiments and the collection and analysis of data, and to provide a feedback loop that links the outcomes of the study or event and subsequent analysis to the original goals and objectives of the test.²⁵

When we discussed the benefits of such an evaluation plan with directorate officials, they stated their concern that a lengthy evaluation of the test initiatives could delay implementation of the new organizational constructs beyond the time frames in which they will be needed to support Future Total Force goals and objectives. We agree that the evaluation should not be drawn out to the point that the Air Force's goals for

²⁵ GAO, *Military Readiness: Navy's Fleet Response Plan Would Benefit from a Comprehensive Management Approach and Rigorous Testing*, [GAO-06-84](#) (Washington, D.C.: Nov. 22, 2005).

implementing the Future Total Force are not achieved. However, the absence of a comprehensive and readily evident plan to evaluate the initiatives can itself create an environment in which delays may occur. Further, without a sound evaluation plan, the Air Force will not have a good basis for determining the extent to which the new organizational constructs should be applied, a basis for identifying and applying lessons learned, or a method for gaining acceptance of the conclusions reached, and increasing the transparency of the process for decision makers and outside organizations.

Conclusion

The Air Force has developed a force structure plan for the next 20 years with a vision of a smaller, but more agile and capable force. This plan calls for billions of dollars to be invested in new aircraft while some legacy aircraft are retired, new roles and missions, and the physical and operational integration of more active, Guard, and reserve units to form the "Future Total Force." The changes that will be required to achieve these objectives present significant challenges to the Air Force, such as the need to develop new doctrine, training, personnel policies, and command structures for the integrated units, which will require the support of all affected organizations to develop effective solutions and achieve success. While the Air Force has recognized these challenges and has taken several steps to address them, it has not yet completed development of a management framework that fully reflects results-oriented management principles and no specific time frame has been established for putting such a framework in place. Until the framework is completely developed and approved, no requirement exists for those responsible for implementing the Future Total Force concept to use the draft strategy and the management tools it contains to guide the transformation and provide visibility over its results. Similarly, the Air Force has not fully developed a clear and comprehensive plan to evaluate the test initiatives announced in December 2004 and expand these new constructs as appropriate. Without an approved comprehensive evaluation plan that includes metrics and milestones for assessing results, the Air Force may be unable to fully evaluate the new organizational constructs and determine the most cost effective way to organize active and reserve forces to carry out the defense strategy. Moreover, without a comprehensive management framework that includes an approved strategic plan and a clear plan to evaluate the test initiatives, the Air Force may be limited in its ability to adjust to the many uncertainties surrounding this transformation process, measure the success of its efforts, and receive the full support of all the affected organizations, including the state adjutants general and the Congress.

Recommendations for Executive Action

To establish a results-oriented management framework that can be used to guide the implementation of the Future Total Force transformation process, measure effectiveness and overall results, and clearly communicate plans for implementing and evaluating the concept to all key stakeholders and decision makers within the Air Force and DOD, we recommend that the Secretary of Defense direct the Secretary of the Air Force to take the following two actions:

- Require the Future Total Force Directorate to fully develop a comprehensive, results-oriented management framework to guide the Future Total Force transformation effort and measure overall results. Specifically, the management framework should include a strategic plan that contains, but is not limited to
 - long-term goals and objectives,
 - strategies to be used to accomplish goals,
 - performance goals,
 - performance criteria for measuring progress, and
 - evaluation and corrective action plans.
- Set a specific time frame to accelerate the approval of the Future Total Force Directorate's strategic plan.

Further, to establish a clear understanding of the approach and mechanisms to be used to evaluate the Future Total Force initiatives to test new organizational constructs, we recommend that the Secretary of Defense direct the Secretary of the Air Force to take the following action:

- Establish a stand-alone, comprehensive, and clearly articulated plan for evaluating the Future Total Force test initiatives to measure results, identify and apply lessons learned, and build on current efforts to increase the transparency of the process for Air Force and DOD decision makers and outside organizations.

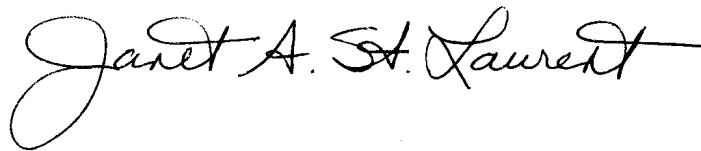
Agency Comments and Our Evaluation

In written comments on a draft of this report, DOD agreed with our recommendations and provided information on the actions it plans to take to address them. The Air Force completed and approved the Future Total Force strategic plan and stated that it is aggressively working toward its goal of having a clear and comprehensive plan for evaluating Future Total Force alternatives. Although we have not fully evaluated the recently approved strategic plan, our initial review indicates that it contains many of the elements that we believe are important to guide a transformation

effort of this magnitude. Specifically, the plan describes the organizational vision, mission, strategic goals and objectives, key initiatives, and some general performance measures for the initial implementation of the Future Total Force concept. However, as the department noted in its comments, the strategic plan is a “living document” that should be reviewed and improved over time to reflect progress toward achieving the goals and objectives it describes. The department also agreed that a stand-alone, comprehensive, and clearly articulated plan for evaluating the Future Total Force test initiatives is needed and noted that it is working to develop such a plan, including working to identify new metrics specifically for evaluating its integration initiatives. Once this evaluation plan is completed and approved, and if it provides a comprehensive and readily evident plan to evaluate the test initiatives, we believe that the Air Force actions would be responsive to our recommendation. DOD’s comments are reprinted in appendix II.

We are sending copies of this report to the Secretary of Defense; the Secretary of the Air Force; the Chief, National Guard Bureau; the Director, Air National Guard; and the Director, Office of Management and Budget. We will also provide copies to others upon request. In addition, this report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-4402 or stlaurentj@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix III.

A handwritten signature in black ink that reads "Janet A. St. Laurent". The signature is fluid and cursive, with a large loop at the end of the last name.

Janet A. St. Laurent
Director
Defense Capabilities and Management

Appendix I: Scope and Methodology

To determine the processes and events that surrounded the Air Force's development of its 20-year force structure plan, we interviewed officials and obtained briefings and other pertinent documentation from current and former officials of the Department of the Air Force Headquarters, Air Combat Command, Air Mobility Command, Air Force Studies and Analyses Agency, and Air National Guard. We reviewed the Office of the Secretary of Defense Program Budget Decision 753 that reduced the Air Force procurement budget for fiscal year 2006 and discussed with Air Force officials the subsequent adjustments made to the force structure. Although much of the information on the force structure development process was testimonial from participants in the process, we assessed this information by comparing it to supporting documentation, when available, and corroborated it through additional interviews to determine consistency and reasonableness. On the basis of these efforts, we believe the information we obtained is sufficiently reliable for the purposes of this report. We also reviewed DOD's draft Strategy for Homeland Defense and Civil Support and discussed the strategy with officials from the Office of the Secretary of Defense for Homeland Defense. We also interviewed officials at the U.S. Northern Command and the North American Aerospace Defense Command to understand the Air National Guard's role in homeland defense missions. During the same period in which the Air Force was developing its force structure plan, the Air National Guard implemented its Vanguard Engagement Strategy. To describe the Air National Guard's Vanguard Engagement strategy and its relationship to the Air Force's force structure development process, we reviewed the strategy and interviewed and obtained briefings and documentation from Air National Guard and Department of the Air Force officials.

To determine the level of involvement of key stakeholders in the force structure development process, we interviewed officials and obtained documentation from officials of the Department of the Air Force Headquarters, Air Combat Command, Air Mobility Command, and the Air National Guard. Also, to determine the level of stakeholder involvement in the Guard's Vanguard initiative, we interviewed officials from the Department of the Air Force Headquarters and the Air National Guard and obtained documentation from Air National Guard officials. To gauge the involvement of the 54 adjutants general, we interviewed a non-probability sample of 10 adjutants general. To guide our selection of this sample, we developed a list of six criteria and evaluated each state and territory against these criteria. The state selection criteria included (1) a mix of large and small states, with states containing three or more flying units being considered large; (2) a geographic mix of states; (3) states with differing views on the proposed force structure plan or Vanguard changes;

(4) states with adjutants general who were active in leadership positions in the Adjutants General Association of the United States; (5) states with adjutants generals serving on an Air Force General Officer Steering Committee; and (6) states with Vanguard or Future Total Force initiatives. We conducted open-ended interviews with the adjutants general of Colorado, Connecticut, Maryland, Nebraska, New York, North Dakota, Texas, Utah, Vermont, and Virginia to gain their perspectives on the force structure development process and the Vanguard engagement strategy and their level of involvement in the development and implementation of each. In 6 of the 10 states, we also interviewed members of the adjutants generals' command staff.

To evaluate the extent to which the Air Force is utilizing key management tools to develop new missions for the Air National Guard and to integrate active duty and reserve component forces, we identified key management tools consistently found in successful organizations through a review of key documents and our prior work. We reviewed and analyzed key documents related to the Air Force's efforts to implement its Future Total Force concept and held discussions with the Director and other officials of the newly formed Air Force Future Total Force Directorate to obtain their perspectives and discuss their efforts to develop a strategic plan incorporating the key management tools to guide implementation of the concept. In addition, we interviewed directorate and Air Combat Command officials to determine what actions they had taken to develop a plan to implement and evaluate the six Chief of Staff test initiatives. We also interviewed the adjutants general for four of the states slated to participate in the test initiatives to determine their involvement and discuss their plans for implementing and measuring the success of these initiatives. We did not evaluate the process the Air Force is using to identify and validate new missions for the Guard.

We conducted our review from September 2004 through November 2005 in accordance with generally accepted government auditing standards.

Appendix II: Comments from the Department of Defense



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ASSISTANT SECRETARY OF DEFENSE
1500 DEFENSE PENTAGON
WASHINGTON, DC 20301-1500

JAN 17 2006

Ms. Janet A. St. Laurent
Director, Defense Capabilities and Management
U.S. Government Accountability Office
Washington, DC 20548

Dear Ms. St. Laurent:

This is the Department of Defense response to the GAO draft report, "DEFENSE MANAGEMENT: Fully Developed Management Framework Needed to Guide Air Force Future Total Force Efforts," dated December 14, 2005 (Code 350583). The Department partially concurs with Recommendations 1, 3 and concurs with Recommendation 2. Detailed comments on the GAO recommendations and the Future Total Force Strategic Plan are enclosed.

The Department appreciates the level of effort and applauds the thoroughness and professionalism of the GAO staff. The Department is pleased that the report acknowledged our efforts to maintain an open and transparent process with all stakeholders. In addition, we recognize that a management framework is required to implement the Future Total Force initiatives and are in the process of producing an adaptive system of measurement that can adjust to the unique characteristics of each initiative. The Department also recognizes that a number of traditional AF unit metrics are useful in this effort. There is a need to balance a robust management network while fostering an environment of immediate success. We are dedicated to continuous improvement of our metrics and identifying best practices that can be applied to new initiatives. We are also mindful that the benefits of a large number of data gathering requirements must be weighed against the burden those requirements put on our people.

The point of contact for this office is Colonel Cora Jackson-Chandler, OASD/RA (RT&M), at (703) 695-4126

We appreciate the opportunity to comment on the draft report.

Sincerely,

Thomas F. Hall

Enclosure:
As stated



GAO DRAFT REPORT – DATED DECEMBER 14, 2005
GAO CODE 350583/GAO-06-232

"DEFENSE MANAGEMENT: Fully Developed Management Framework Needed to Guide Air
Force Future Total Force Efforts"

DEPARTMENT OF DEFENSE COMMENTS
TO THE RECOMMENDATIONS

RECOMMENDATION 1: The GAO recommended that the Secretary of Defense direct the Secretary of the Air Force to require the Future Total Force Directorate to continue to fully develop a comprehensive, results oriented management framework to guide the future total force transformation effort and measure overall results. Specifically, the management framework should include a strategic plan that contains, but is not limited to:

- long-term goals and objectives;
- strategies to be used to accomplish goals;
- performance goals;
- performance criteria for measuring progress; and
- evaluation and corrective plans

DoD RESPONSE: Partially concur. The Air Force currently has a robust system of working groups (WGs) integrated process teams (IPTs), and a General Officer Steering Committee (GOSC) that brings all stake holders together to monitor progress, surface problems, craft solutions and refine the process. Additionally, the Future Total Force Strategic Plan was in draft form at the time of this audit. Since the audit, the plan has been completed and approved. This plan contains many of the specific recommendations requested by GAO. This plan lays out the organizational vision, mission, strategic goals and objectives, key initiatives and performance metrics for the next two years and is the basis for organizational long-term process improvement.

RECOMMENDATION 2: The GAO recommended that the Secretary of Defense direct the Secretary of the Air Force to set a specific timeframe to accelerate the approval of the Future Total Force Directorate's strategic plan.

DoD RESPONSE: Concur. The FTF Strategic Plan was approved by AF/XP on December 16, 2005 and is attached. However, it is important to note that this is a "living document" that will change and grow over time to reflect advances in the goals, objectives, initiatives, strategies, and metrics.

RECOMMENDATION 3: The GAO recommended that the Secretary of Defense direct the Secretary of the Air Force to establish a stand-alone, comprehensive, and clearly articulated plan for evaluating the Future Total Force test initiatives to measure results, identify and apply lessons

learned, and build on current efforts to increase the transparency of the process for Air Force and DoD decision makers and outside organizations.

DoD RESPONSE: Partially concur. The Air Force's Future Total Force Directorate is aggressively working toward their goal to have a stand-alone, comprehensive and clearly articulated plan for evaluating FTF initiatives. In the interim, they are utilizing well-established AF processes and measurement standards to evaluate unit health and progress. In addition, new metrics unique to specific integration initiatives and an adaptive or tailored approach to defining metrics are being explored.

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

Janet St. Laurent (202) 512-4402 or stlaurentj@gao.gov

Acknowledgments

In addition to the contact named above, Robert Repasky, Assistant Director; Hugh Brady; John Clary; Alissa Czyz; George Delgado; Nicole Harms; Penney Harwell; Kenneth Patton; Terry Richardson; and Travis Thomson also made key contributions to this report.

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